

## **Chapter 6: Receiving, Managing and Disbursing Funds**

*Note: Indiana Code and other guidelines from the IRS, SBOA, IDOR and other agencies can and will change periodically. Please use the following information as a guide. The most up to date information can be found on each agency's website.*

### **Sec. 1 General Information Regarding the Management of Funds Received by Soil and Water Conservation Districts (SWCDs).**

#### **Districts Accountability to the State Board of Accounts (SBOA):**

The Indiana State Board of Accounts has the legal responsibility and authority to audit any state agency utilizing public funds. Soil and Water Conservation Districts fall under SBOA accounting oversight because districts are sub-divisions of state government. SBOA authority is limited to determining the status of and the use of funds entrusted with a public state entity. The SBOA classifies SWCD's as one of a number of special purpose districts established in the state. For the purpose of accounting and compliance guidance the SBOA publishes a useful manual titled the "Uniform Compliance Guidelines Manual" <https://www.in.gov/sboa/4448.htm>. One complete chapter of the manual specifically addresses SWCDs. There is a lot of other useful guidance to districts in the manual as well.

#### **Definition of funds:**

All funds received by a district, regardless of source, are considered Public Funds. "Public funds" means all fees and funds of whatever kind or character coming into the possession of any public officer by virtue of that office. (Indiana Code 5-13-4-20). The rules and regulations regarding the use of Public Funds applies to **all** funds received by a district regardless of any special account a district might establish for tracking funds.

#### **Appointment of Treasurer**

The SWCD supervisors shall appoint a treasurer (also referred to as designated fiscal officer) to handle and account for all funds of the district. That person may be a district employee or a supervisor. The appointment should be made annually in January or no later than when the other officers are selected. All officers, including the Treasurer, shall be approved by a majority vote of the supervisors at an SWCD meeting and recorded in the minutes. It is important to remember that the district's bank account must be reconciled monthly (IC 5-13-6-1). The fiscal officer is responsible for assuring that this is being done accurately each month.

#### **Surety Bonds**

The Indiana Code (IC 14-32-4-22 (1) states "the supervisors of a district shall provide for the execution of a surety bond for all district employees and officials who are entrusted with money or property" of the district. Many SWCD employees are included under their county Surety Bond coverage, however if the county will not specifically include a district staff person under

the county surety bond who is entrusted with district money or property it is the responsibility of the supervisors to obtain a bond covering the employee(s). It is important for the district to check with the county annually to make sure the appropriate district staff are listed in the county bond for coverage. The county Surety Bond will not cover supervisors. The Indiana State Department of Agriculture-Division of Soil Conservation currently purchases a surety bond covering the five supervisors of each district that may be entrusted with district money or property. If a district executes a bond for any of its staff or supervisors, the surety bond should be for at least \$15,000 for each supervisor and employee who handles district money or property (IC 5-4-1-18).

### **Signature Card / Corporate Resolution Form**

Your local bank / depositor may require an updated Signature Card and/or Corporate Resolution Form every time there is a change on the local SWCD board and if there is a change in treasurer/fiscal officer. Contact your local institution regarding their requirements. Signature must also be updated if there is a change of name as a result of marriage, for example.

### **Checks**

SBOA only requires one signature on checks. In fact they encourage districts to only have one signature on checks because when the supervisors approve and sign the monthly claim form(s) their action represents the second signature and more. If the board insists on having two signatures on checks the SBOA will allow it. You will also want to check with your depository to see if whether they require two signatures on checks or not. Most will not but will require that the person signing the checks is listed on their approved signature file.

The phrase "This warrant void two (2) years after December 31 of the year of issue." must be included on the face of the warrant (check) as required by IC5-11-10.5-2. Whenever new checks are ordered, be sure this statement is included.

### **Accepting Donations**

Districts are allowed to accept donations as outlined in IC 14-32-5-5 and in Chapter 9 of the "Uniform Compliance Guidelines Manual". The following conditions must be met:

- The donations are offered for the sole and exclusive purpose of promoting soil and water conservation within the district.
- The district satisfactorily guarantees to the donors the faithful use of the donations for that purpose.

Donations as described above are tax deductible as a charitable contribution. The Internal Revenue Service, Publication 526 entitled "Charitable Contributions" states that: "A contribution is deductible if it is made to, or for the use of, any of the following organizations that otherwise are qualified under section 170(c) of the 1986 Code: - The United States or any state, the District of Columbia, a U.S. possession (including Puerto Rico), **a political subdivision of a state** or U.S. possession, or an Indian tribal government or any of its subdivisions that perform substantial government functions. (Note: To be deductible, a donation to this type of organization must be made solely for public purposes.)"

For cash donations the SWCD must provide the contributor with a receipt (or a letter or other written communication such as an email) showing the SWCD's name, the date of the donation, and the amount of the donation.

For noncash contributions, the record needs will vary depending on the amount of the contribution. Please see IRS Publication 526 for details. Contributors will report cash contributions on Schedule A of IRS Form 1040. Contributors who make noncash contributions will also fill out forms depending on the amount of the contribution. Again, please reference IRS Publication 526 for details.

**Note:** SWCDs do NOT qualify as a 501-C-3, not-for-profit agency.

### **Credit Cards and Debit/Procurement Cards**

The SBOA will not take exception to the use of credit cards and/or debit/procurement cards by SWCDs, provided certain criteria is observed. Guidelines are available in Chapter 1 of the "Uniform Compliance Guidelines Manual" <https://www.in.gov/sboa/4448.htm>.

## **Sec. 2 Deposit and Investment of Funds**

Districts, as political sub-divisions of state government, must follow the rules on deposit and investment of public funds as outlined in Chapter 1 of the "Uniform Compliance Guidelines Manual" <https://www.in.gov/sboa/4448.htm>.

### **Designation as a Depository**

A depository is a financial institution designated as a depository of public funds. A financial institution is defined to mean: (a) a bank, trust company, or mutual savings bank incorporated under the Indiana law or any other state; and has its principal office or a branch in Indiana (b) a national banking association with its principal office in Indiana or a branch in Indiana; (c) a saving association operating as a deposit association incorporated under Indiana law; (d) a federally chartered savings association with its principal office or a branch in Indiana; (e) a federally chartered savings bank with its principal office or a branch in Indiana; or (f) A state chartered credit union in Indiana that is federally insured or privately insured and that has assets of three million dollars (\$3,000,000) or more (See IC 5-13-4-10.)

### **Financial Institutions with Which the Political Subdivision May Deposit Funds**

Pursuant to IC 5-13-8-1(a) a political subdivision may deposit funds in a financial institution only if the financial institution (1) is a depository eligible to receive state funds and (2) has a principal office or branch that qualifies under section 9 of this chapter to receive public funds of the political subdivision. The web site listing for current Approved Depositories-Treasurer of State, is: <http://www.in.gov/tos/deposit/2377.htm>.

At the January meeting every year, the district supervisors must designate a depository and this must be noted in the board minutes.

For deposit accounts (checking accounts) there are no requirements for quotes to be obtained, but it would be a good idea to acquire as much information as possible from financial institutions eligible to as a depository for your district before selecting your depository.

IC 5-13-6-1 requires that all monies received by a political subdivision of the state (e.g., a district) shall be deposited not later than the business day following the receipt of funds on business days of the depositor. IC 5-13-6-1(g) adds “The following are not required to deposit funds on the business day following receipt if the funds on hand do not exceed five hundred dollars (\$500): A local officer of a political subdivision required to deposit funds under subsection. However, the funds on hand must be deposited not later than the business day following the day that the funds exceed five hundred dollars (\$500)”.

Never allow funds in any amount to be left unattended in or on an office desk. Keep all funds in a lockable cabinet until they can be deposited. Do not feel embarrassed in taking these precautions, even around other office staff that you trust and have worked with for many years. They, too, are responsible for sharing in the safety of all money and property that is in the office.

### **Petty Cash Fund**

IC 36-1-8-3 allows for SWCDs to establish a petty cash fund for its offices to pay small or emergency items of operating expenses. A receipt shall be written for each expenditure made from the fund and the treasurer/fiscal officer shall periodically prepare and present a claim voucher along with all original receipts to the supervisors for review and approval during a regular board meeting. Reimbursement to this petty cash fund must also be voted on and approved at a monthly board meeting.

Most districts should be able to operate with a petty cash fund of not more than \$100. As mentioned earlier, it is very important to keep these funds in a lockable cabinet.

### **Cash Change Fund**

IC 36-1-8-2 allows for SWCDs to establish a cash change fund to make change when collecting cash revenues. This fund must be approved, and the amount designated for the cash change fund must be established by the board of supervisors at a regular monthly meeting. Cash in the account must be accounted for by the treasurer/fiscal officer just like any other public funds entrusted to the district.

### **Investment of Funds**

IC 5-13-9-2 provides that the governing bodies of political subdivisions may, by ordinance or resolution (approved motion at a regular meeting), authorize the proper legal officers to invest and reinvest funds in securities backed by the full faith and credit of the United States Treasury or fully guaranteed by the United States and issued by any of the following: (A) The United

States Treasury (B) A federal agency (C) A federal instrumentality (D) A federal government sponsored enterprise.

Specific guidance on investments can be found in Chapter 1 of the “Uniform Compliance Guidelines Manual” <https://www.in.gov/sboa/4448.htm>. This includes guidelines for Certificates of Deposits.

The decision to invest any funds of the district should be made a matter of public record by inclusion in the SWCD minutes. The statute (IC 5-13-9-4) references certificate of deposits quotes. The investing officer making a deposit in a certificate of deposit shall obtain quotes of the specific rates of interest for the term of that certificate of deposit that each designated depository will pay on the certificate of deposit. Quotes may be solicited and taken by telephone. A memorandum of all quotes solicited and taken shall be retained by the investing officer as a public record of the political subdivision under IC 5-14-3. If the deposit is not placed in the designated depository quoting the highest rate of interest, the investing officer shall: (1) place the deposit in the depository quoting the second or third highest rate of interest; and (2) note the reason for placing the deposit on the memorandum of quotes.

The purchase of investments may be done by check or by electronic transfer, but the transaction must always be entered in the bookkeeping records by the check number or by a “journal entry.” When the investment matures or is sold or when interest is received, the bookkeeping record must show the receipts from such sale or interest. Receipts from the sale of the investment and from interest earned should be recorded as separate entries and deposited into the public fund.

### **Sec. 3 Appropriate Expenditure of Funds**

As a subdivision of state government, all funds under the control of a district are public funds. According to IC 5-11, the SBOA has both the authority and responsibility to audit the districts. Such audits will determine compliance with applicable state laws, including those relating to use of funds.

Supervisors, as public officials, and their district employees may be held personally responsible for misuse of funds; therefore, it is critically important that districts refer to the District Law (IC 14-32), and the SBOA’s “Uniform Compliance Guidelines Manual” <https://www.in.gov/sboa/4448.htm>.

The best policy when handling public funds is always to focus on using the money in ways that most economically address the district’s mission, while providing the most effective services to the citizens of the county.

### **Associate Supervisors**

Associate supervisors are recognized in the Indiana District Law (IC14-32-4-10.5). The district law states that “(a) the board may appoint associate supervisors to assist in performing duties in each district. (b) Associate supervisors are nonvoting members of the board and may not hold

officer positions on the board. (c) Associate supervisors may be reimbursed for approved expenses but are not entitled to per diem”.

## **Volunteers**

Volunteers serve on a voluntary basis without any compensation or salary per diem. However, volunteers may receive reimbursement for travel, meals, or lodging expenses incurred in providing assistance to the soil and water conservation district in the course of carrying out assigned duties. In order to receive reimbursement the responsibilities and assigned duties must be spelled out in an agreement with the district and the agreement recorded in the minutes prior to carrying out the duties. An estimate for the travel expenses of the volunteer shall be pre-approved by a motion and affirmative vote of the duly elected and appointed supervisors at a meeting of the district and recorded in the minutes of an official meeting prior to incurring the expense. The district is not obligated to reimburse the volunteer if funds are not available or the purpose of the travel and the duties of the volunteer which necessitated the travel expense were not officially approved by the supervisors ahead of the expense being incurred.

## **Making Donations Prohibited**

In chapter 1 of the “Uniform Compliance Guidelines Manual” <https://www.in.gov/sboa/4448.htm> it states that public funds cannot be donated or given to other organizations or individuals unless specifically authorized by law. This restriction includes donation for gifts, memorials (e.g., flowers) or scholarships.

## **Sec. 4 Financial Recordkeeping**

### **Basic Bookkeeping Procedures**

Since all funds received by a district are “public funds”, districts are to use one general fund for all transactions. Receipts shall be posted showing the date, receipt number, description of the receipt, and the amount. In the “Financial and Disbursements Journal” (see sample), the amount shall be totaled under the appropriate fund and the total-all-funds columns. If the receipt is from the sale of investments, the amount shall be totaled under the appropriate fund column, the total-all-funds, and in the appropriate sale column under “investments record.”

Checks shall be posted showing date of check, check number, description of payment, and amount. In the “Financial and Disbursements Journal”, record balances in the total-all-funds column, and record the check amount in the applicable detail-of-expenditures column. Checks for purchase of investments shall be posted to the total-all-funds column, and in the appropriate purchase column under “investments record.”

At the close of each month, the month’s postings may be added for a month-by-month report of transactions. (For treasurers maintaining hand-entered records, this will save considerable time when assembling the end-of-year report.) The district treasurer shall perform monthly

reconciliation (IC 5-13-6-1 (e)). It is also recommended that a financial report be given at each district board meeting.

### **Bookkeeping Options (F&D Journal vs. QuickBooks)**

It is the audit position of the SBOA that audit exception will not be taken to the use of QuickBooks by a district since authorization was granted by the State Soil Conservation Board, a state agency. Therefore, district treasurers have the option of using either the “Financial and Disbursements (F&D) Journal” for hand entry or QuickBooks software for computer bookkeeping. (Note: At this time, QuickBooks is the only bookkeeping software approved by the State Soil Conservation Board for district use.) Procedures for handling transactions are generally the same, whether records are kept by hand entry or by computer. Training is recommended if QuickBooks is used. When converting from hand-entered bookkeeping to the computer method, it is recommended that records be maintained under both methods for at least three months or until the user feels comfortable with the QuickBooks program. Due to the inherent limitations of the QuickBooks system, the SBOA cannot solely rely on the data contained in, or the output generated by, QuickBooks. Therefore, it is imperative that the other components of the accounting records such as the proper use of claims, bank records, receipts, etc., be properly maintained.

### **Sec. 5 State Approved Financial / Claim Forms**

The SBOA has prescribed or approved the following for use by Indiana Soil and Water Conservation Districts. Samples of the SBOA Prescribed Forms listed below are included at the end of the Table of Contents of this manual <http://www.in.gov/isda/2372.htm>.

#### **General Receipt (Form ST-352)**

This pre-numbered form consists of an original and a duplicate. A receipt is to be issued each time a district receives funds. The original will be given to the person or organization making the payment. The duplicate is used as a posting medium in the district’s bookkeeping records. The receipt should show the type of receipt (e.g., grant, donation, etc.) and to which fund the amount will be posted. All monies received are to be deposited by the next banking day.

#### **Mileage Claim (Form ST-101)**

This form will be used by each person claiming reimbursement for mileage. The mileage rate cannot exceed the rate established in the respective county which may change periodically, usually in accordance with guidance from the US Internal Revenue Service. The form is self-explanatory and shall be completed in detail by the claimant.

It is important for supervisors to review the County Government Policy relating to the payment of travel to and from their regularly scheduled monthly meeting. District should follow the same county policy that applies to other county officials relative to payment for commute miles to and from official’s office for attending their official public meetings.

Supervisors are to comply with all Federal, state, and local tax guidelines. For example, paid supervisor per diem and commuting mileage to Board Meetings is subject to all federal, state, and local withholding/reporting tax requirements.

### **Accounts Payable (Form ST-17)**

Districts may use this form for processing payment to vendors for supplies, materials, or services furnished to the district or for supervisors claiming salary per diem and reimbursement for out-of-pocket travel expenses.

Each claim against the district must be documented on a completed Form 17, with an original invoice itemizing the charges attached to each claim. The district treasurer shall sign the claim certifying that the supplies, materials, or services were received. The claim and invoice are then submitted to the supervisors at the next regular meeting for allowance; and if allowed, the vendor may be paid. The approval shall be documented in the minutes of the meeting and by the supervisors' signatures on the claim form. The number of the check issued in payment will be entered in the space provided ("Warrant Number"). The claims and attached invoices shall be filed in numerical order by check number.

Note that Form 17 is formatted for signatures of the county auditor and board of county commissioners. Generally, the county auditor will approve substituting the district treasurer's signature in place of the county auditor's signature and the supervisors' signatures in place of the board of county commissioners' signatures, and will allow that these payment records need only be maintained in the district office. It is recommended that approval for these substitutions be confirmed by the respective county auditor rather than to assume all county auditors will authorize district use of Form 17 in the manner described.

Note: Chapter 12 of the "Uniform Compliance Guidelines Manual"

<https://www.in.gov/sboa/4448.htm> provides additional information on using prescribed state approved forms.

### **Annual Financial Report**

SWCDs are responsible for submitting two Annual Financial Reports (AFRs). One is submitted to Gateway, and the other is submitted to the Indiana State Department of Agriculture (ISDA).

Gateway AFR: the state examiner (SBOA) requires financial reports covering the full period of each fiscal year. These reports shall be prepared, verified, and filed with the state examiner not later than sixty (60) days after the close of each fiscal year. The reports must be filed electronically. Please also see Section 10 of this document for more information on Gateway.

ISDA AFR: this is a spreadsheet provided by ISDA. A district's AFR must be prepared at the close of the calendar year by the treasurer, who signs the certification statement on the report. This statement is also to be signed by the members of the auditing committee appointed by the district chairperson.



The district books are subject to audit by the SBOA. For the internal SWCD audit, SWCDs may choose to utilize the AFR template (spreadsheet) provided by ISDA. To clarify, the annual internal SWCD audit is different than the audits SWCDs receive from SBOA roughly every few years.

- Purchase and sale of investments during the year should be shown as expenditures and receipts in the district's AFR. These entries can be taken directly from the F&D Journal. Investments owned by the district at the end of the year should also be listed on the annual financial report's inventory of investments in order to show the district's total financial status.
- The general fund balance should be equal to the deposit-statement-and-reconciliation record balance on the back of the report which will be calculated using the last bank statement balance of the calendar year plus any deposits after the statement date and before the end of the calendar year and minus any outstanding checks written before the end of the year.
- Treasurers using QuickBooks may submit their AFR in a summary format generated by the computer program. A statement verifying correctness of the bookkeeping records shall be added (or appended) to the summary, similar to that used for the hand-entered records, with signatures of the treasurer and auditing committee members.

## **Sec. 6 Sales Tax on Purchases / Sales**

### **Payment of Sales Tax for Purchases Made by the District**

Nearly all purchases made by a district are exempt from payment of sales tax. Office supplies, equipment, or other materials that are used in carrying out its administrative functions are exempt, because the district is a governmental unit. Goods purchased for resale in promotional or fund-raising activities are also exempt.

Use Form ST-105, "Indiana General Sales Tax Exemption Certificate," with the vendor to certify the district's exempt status (see sample). The form is completed by entering the district's name and address, date, and its purchaser's certificate number (account number). The account number is the 14-digit code assigned by the Indiana Department of Revenue (IDR), as shown on the Retail Merchant's Certificate. Each district has its own individual account number. Place a check mark in the blanket-purchase block for retailers with whom the district has regular dealings, or check the single-purchase block for one-time transactions. Enter a brief description of the articles being purchased. If the purchase is for items to be resold, check the sale-to-retailer/wholesaler/manufacturer-for-resale-only block. If the purchase is for office supplies, equipment, or other materials to be used in carrying out district administrative functions, check the sales-to-governmental-units block. Sign where indicated, and submit the form to the vendor. The completed form should be kept on file in the district office.

Form ST-105, "Indiana General Sales Tax Exemption Certification" or Form ST-104, "Agricultural Exemption Certificate", can be used for agricultural related purchases.

### **Collection of Sales Tax for Goods Sold by the District**

A district is required to collect sales tax on items it sells for promotional and fund-raising activities, as per IC 6-2.3-4-8, which states, “An Indiana governmental entity, agency, instrumentality, or political subdivision (including a state college or university) is a retail merchant making a retail transaction when it performs private or proprietary activities that would constitute retail transactions under this article if those activities were performed by a retail merchant....”

District staff should anticipate the collection of sales tax on every sales transaction (including rental of conservation-related equipment), unless a valid exemption is claimed and certified by the purchaser. The purchaser must certify his/her exemption when purchasing commodities that are subject to sales tax by completing a Form ST-105, “General Sales Tax Exemption Certificate.” The completed form should be kept on file in the district office. Regulations regarding agricultural exemptions should be thoroughly understood by any district sponsoring tillage, tree planting, mulching, grading, or other resource management programs involving equipment rental.

While most commodities that a district purchases for resale should be tax exempt when purchased by the district, the district needs to collect sales tax when the items are resold to customers. The IN Department of Revenue (IDR) will make an exception in the case of ticket sales for district annual meeting meals. In this case, the agency suggests that a district pay sales tax to the caterer who prepares the meals. This allows the district to both sell and offer free or subsidized tickets to meal patrons without having to calculate the amount that is subject to sales tax. Receipts from ticket sales may then be reported as exempt sales, because the sales tax was already paid to the caterer, and sales tax may not be charged twice on the same commodity.

A district that prepares its own annual meeting meals must charge sales tax on ticket sales and report the receipts as taxable. If a district requests a free-will donation for annual meeting meals, the receipts are not taxable, and the amount collected should be reported as exempt sales.

The district must report collection of sales tax and submit returns to the IDR per its designated schedule. Prior to the due date, the IDR will issue Form ST-103A, “Indiana Sales and Use Tax Return” preprinted with the district’s name and address, retail merchant’s account number, and reporting status, along with instructions for completing it. Of course, the form should be filed on time to prevent possible penalties or interest charges.

Additional information on sales tax may be found in Chapter 11 of the “Uniform Compliance Guidelines Manual” <https://www.in.gov/sboa/4448.htm>. Questions on sales tax should be directed to the Indiana Department of Revenue.

## **Sec. 7 Financial Records Retention**

The local SWCD board is charged with the duty to preserve, keep, maintain, or file all their official records (IC 5-15-1-1) until such time when they may be disposed of, if allowed. Certain documents must be kept permanently. Please refer to the County/Local Government retention

schedules and instructions approved by the Oversight Committee on Public Records:  
<https://www.in.gov/iara/2739.htm>.

## **Sec. 8 Financial Records Audits**

It is very important that at the end of every calendar year, the district appoints an audit committee to critically go over all the financial records for the district. It is best to utilize individuals who are not directly responsible for the keeping of the financial records. A review of this audit must then be shared at a district board meeting.

In accordance with IC 5-11-1-25, the SBOA is also required to conduct examinations of audited entities at the times determined by the SBOA, but not less than once every four (4) years, using risk based examination criteria that are established by SBOA and approved by the audit committee. Representative from the SBOA (or their designee) will contact the local SWCD office to set up a time to perform the audit.

SWCDs will be charged at the rate of one hundred seventy-five dollars (\$175) per day for each field examiner, private examiner, expert, or employee of the SBOA who is engaged in making examinations or investigations carried out under IC 5-11-4-3. In addition, the state examiner may charge a reasonable fee for technology and processing costs related to completing reports of examination and processing reports of examination in the same manner as other charges are made.

A good SBOA audit can improve day-to-day financial procedures and operations, be a helpful management tool, and be used to support funding requests. It will help districts comply with laws, policies, established procedures, and sound management practices.

It is important to be thoroughly prepared for the state audit. Try to have everything organized by month. This will help move the process on more quickly. The following provides a list of the basic information that may be requested by the auditor:

- Accounting records, including, but not limited to:
  - General ledger, balance sheets, and other accounting records
  - Schedule of investment transactions for the audit period
  - Invoices, purchase orders, and receiving report for the audit period
  - Bank statements for the audit period
  - Details of any new bond issues, significant contracts, lease agreements, etc.
  - Copies of all lease agreements in effect during the audit period
  - Summary of all litigation involving the district during the audit period, including an administrative evaluation of the probable outcome
  - Summary of significant events occurring subsequent to the end of the audit period
  - Copies of your SWCD Annual Financial Report
- Make sure your petty cash, if any, is in order and balances
- Have copies of your SWCD board meeting minutes and reports in chronological order
- Names and addresses of all depositories, account numbers, and authorized signatures
- All insurance policies in effect during the audit period

- Supervisor names along with their address, phone number and specific term information (years serving as a supervisor, when last elected (or appointed), and years remaining in term).
- All district policies currently in effect

Keep in mind that audits are a necessary part of all business and that they can be a beneficial tool if used correctly.

## **Sec. 9 Internal Controls**

For more information on Internal Controls, visit the SBOA website <https://www.in.gov/sboa/4448.htm>. Districts should be familiar with these guidelines. Standards, Internal Control Policy and Required Certifications, and Training are topics covered at this website and can be referenced for more information. IC 5-11-1-27(e) provides that through the compliance guidelines authorized under IC 5-11-1-24 the SBOA shall define the acceptable minimum level of internal control standards for internal control systems of political subdivisions, including the following: (1) Control Environment. (2) Risk Assessment. (3) Control Activities. (4) Information and Communication. (5) Monitoring. In response, the SBOA developed the Uniform Internal Control Standards for Indiana Political Subdivisions manual, which contains the acceptable minimum level of internal control standards.

## **Sec. 10 Gateway**

Gateway collects and provides access to information about how taxes and other public dollars are budgeted and spent by Indiana's local units of government. The Annual Financial Report (AFR) (IC 5-11-1-4) is one of the reports submitted in Gateway that contains detail on the receipts and expenditures of each local government unit. Districts are required to submit data through this portal. For details, visit <https://gateway.ifionline.org/>.

New employees responsible for entering SWCD financial information should request authorization to access Gateway <https://gateway.ifionline.org/login.aspx>. Note: anyone who is not the Fiscal Officer requires only Editor or Read Only access to the AFR, 100R and/or the Monthly and Annual Engagement Uploads application. Supervisors, to view these documents complete and return the Limited Delegation of Authority form located at: <http://www.in.gov/sboa/files/DelegationForm.pdf>.

## **Sec. 11 1099s**

Internal Revenue Service (IRS) tax form 1099 is a tax document filed by SWCDS (when applicable) to report various types of income paid during the tax year. For example, if you are a grant sponsoring organization that provides cost-share, you may need to provide a 1099 for reimbursements. Obtain identifying information in advance with Form W-9. More information on 1099s and W-9s may be found on the IRS website.

## **Sec. 12 D-U-N-S Number**

A Data Universal Number System (D-U-N-S) number is a unique nine-character number used to identify an organization. The federal government uses the D-U-N-S number to track how federal money is allocated. D-U-N-S Number assignment is free for all businesses required to register with the US Federal government for contracts or grants. If your SWCD does not yet have a DUNS number and needs one, or no one knows it, visit the Dun & Bradstreet (D&B) website to register or search for a DUNS number. It's recommended you update your number annually, even if not actively using it.